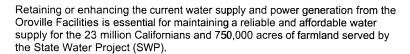
NEPA PUBLIC SCOPING PROCESS OROVILLE FACILITIES RELICENSING FERC PROJECT No. 2100

COMMENTS OF THE CASTAIC LAKE WATER AGENCY Robert C. Sagehorn, General Manager October 30, 2001



<u>Background</u> The Castaic Lake Water Agency is a contractor with the California Department of Water Resources (DWR), for a water supply from the State Water Project. The Agency's service area is comprised of the Santa Clarita Valley, located in northern Los Angeles and eastern Ventura Counties. Our SWP supply meets approximately 50 percent of our local water demand, and is vital to the economic well being of our community.

The Oroville Facilities As a SWP contractor, CLWA is responsible for its portion of costs related to water supply development and power generation at the Oroville Facilities. Operational changes that result in reducing the power generation capability and flexibility will result in increased costs to CLWA and all the SWP contractors and, ultimately, much of the state's population. Of greater concern to our Agency and the contractors is the possibility that operational changes will erode the water supply available to the SWP. California is on the verge of a water supply crisis that may well dwarf California's current energy crisis. It is hard to imagine any credible operational changes that would justify reducing the water supply yield from the Oroville Facilities.

While the Agency appreciates the need to protect California's environment, we are very concerned about the potential for duplication of efforts between the Oroville relicensing process, the CALFED Bay-Delta Program, and the Central Valley Project Improvement Act. In particular, the CALFED program is attempting to strike a delicate balance between water supply improvements and the environment. The impacts of CALFED programs will stretch well beyond the Bay-Delta, and encompass the Feather River in that program's "solution" area. The Oroville Facilities relicensing process must proceed in full recognition of the overall CALFED program, the Central Valley Project Improvement Act and other ecosystem restoration initiatives. State Water Project water supplies are already contributing to CALFED's success. The environmental studies undertaken in the relicensing process need to be tightly focused within the project boundary, and any options considered must be complementary to the CALFED program and not result in losses to State Water Project water supplies.





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SECRETARY LINDAJ. FLEMING Restructuring of the California power market has highlighted the importance of hydroelectric projects beyond their traditional capacity and energy production values. Maintaining or increasing the flexibility in releases is required to continue the beneficial use of the Oroville Facility for providing regulation, spinning reserves, non-spinning reserves, replacement reserves and voltage control needed for reliable operation of the SWP and the California power grid.

The Agency recognizes that the FERC relicensing process involves the balancing of power and water supply benefits with environmental, recreational and flood management needs. We urge that this process seek innovative and creative solutions to meet these needs — solutions that do not sacrifice precious water and power resources.

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Retaining or enhancing the current water supply and power generation from the Oroville Facilities is essential for maintaining a reliable and affordable water supply for the 23 million Californians and 750,000 acres of farmland served by the State Water Project (SWP).

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